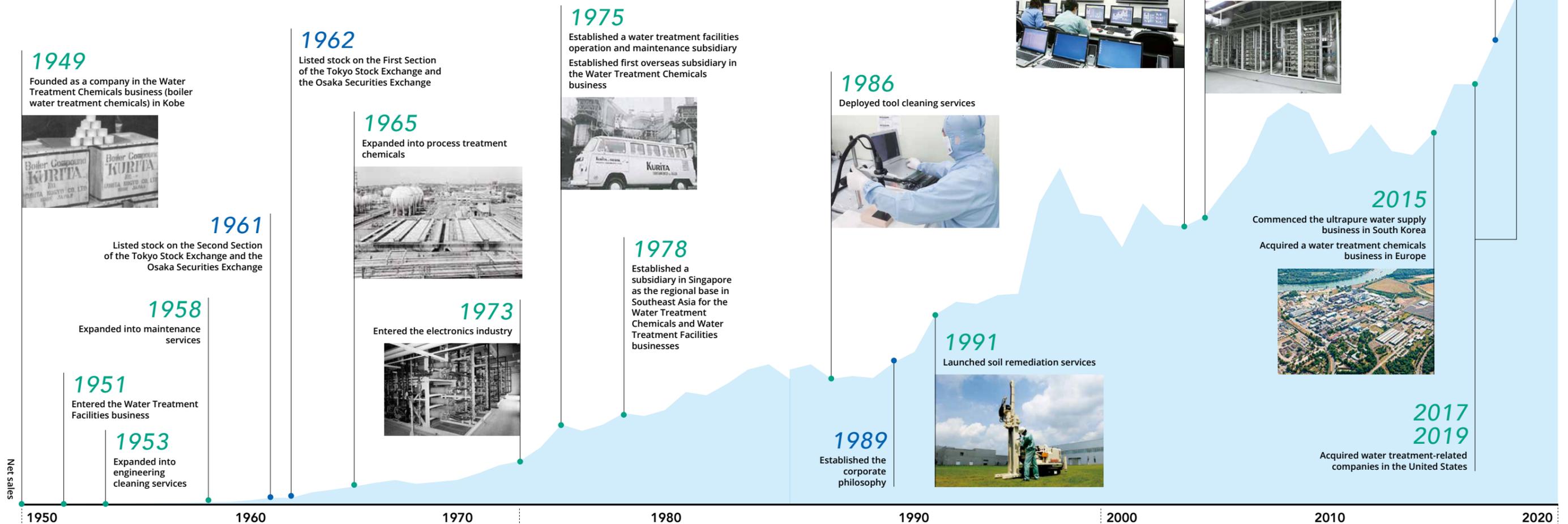


History of Value Creation

Founded in 1949 to sell water treatment chemicals for boilers, the Kurita Group started out providing value to customers by supporting the safe and efficient operation of their facilities. In the years since then, the Group has steadfastly focused on providing this value to customers, contributing to the development of industry and society by solving issues related to water and the environment. The Group will continue to build on this progress by providing stakeholders with new value, aiming to realize its corporate philosophy, "Study the properties of water, master them, and we will create an environment in which nature and man are in harmony."



Post-War Recovery Period (1949-1954) / High Economic Growth Period (1954-1973)

Stable Growth Period (1973-1991)

Information Society Development Period (1991-1999)

Period of AI and IoT Advancement (1999-)

Kurita Establishes the Spirit and Business that Form its Foundation

Kurita's founder developed an innovative business model that combined optimal treatment and effect verification based on data with the experience-based treatment that was the mainstream approach to boiler water treatment in Japan at the time. The principle of "Providing the unique value that only Kurita can create" became the driving force for realizing the model, and it lives on today in the Kurita Group's DNA. Against the background of development in Japanese industry, the Company established the three functions of water treatment chemicals, water treatment facilities, and maintenance services. By supporting the steel, pulp and paper, and petrochemical industries with water treatment solutions, the Company achieved steady growth.

Development as an Environmental Company and Establishing a Position in the Field of Water Treatment for Electronics Industry

As areas all over Japan experienced worsening pollution issues accompanying economic growth, Kurita made its mark as an environmental company by working to solve pollution due to industrial and household wastewater. In the 1980s, Kurita established a firm position as a provider of water treatment solutions for the electronics industry by meeting the industry's growing demand for advanced water treatment with ultrapure water technology. In 1989, marking its 40th anniversary, Kurita formulated the current corporate philosophy. It shared its mission of creating shared value with society in the fields of water and environment, and expanded its business to include soil remediation.

New Business Model Deployment and Global Business Expansion

In 2002, as the electronics industry continued to develop even further with the advance of IT, Kurita developed a new service contract-type business model in the form of the ultrapure water supply business. Subsequently, the Company continued to change its business model, creating various new services that identified customers' issues from the perspectives of saving water, reducing CO₂ emissions, and reducing waste, and provided solutions for them. From 2015, the Company began full-fledged expansion into overseas business through M&A, and is promoting global development of total solutions.

2021

A water treatment chemicals company in the Middle East becomes a subsidiary
Acquired a water treatment chemicals company in Canada

2020

Merged four U.S. subsidiaries, including acquired companies
A tool cleaning company in the U.S. becomes a subsidiary

2018

Launched Medium-Term Management Plan "Maximize Value Proposition 2022 (MVP-22)"
Reshaped the group philosophy system

2002

Launched ultrapure water supply business

2003

Achieved 100% wastewater reclamation

2015

Commenced the ultrapure water supply business in South Korea
Acquired a water treatment chemicals business in Europe

2017
2019

Acquired water treatment-related companies in the United States

Kurita Group Overview

Kurita Group Business Strategy

The Kurita Group's Businesses

The Platform for Value Creation

Financial Information / Corporate Information

The missions that the Kurita Group will fulfill in society into the future, its medium- and long-term visions, and its ways of thinking and values as the foothold for achieving them are stipulated as the Kurita Group Philosophy System.

Corporate Philosophy

Study the properties of water, master them, and we will create an environment in which nature and man are in harmony

1. Kurita Group will contribute to facilitate the coexistence and shared prosperity of the natural environment and human society by creating shared value with society through water.
2. Kurita Group will generate new functions and value for water, through further exploration and exploitation of the fundamental properties of water.
3. Each individual of Kurita Group will adopt its customers' point of view and solve their water and environmental issues, by making full use of its unique technologies, products and services.

* The corporate philosophy was set out in 1989 to mark the 40th founding anniversary of the Company.

Corporate Vision

"A Creator of unique value to the solution of water and environment," contributing to the realization of a sustainable society.

1. Kurita Group will seek to create shared value with society such as environmental preservation and the effective use of resources, and will realize its corporate philosophy, by continuing to innovate and through businesses contributing to the natural environment, industry and people's lives.
2. Kurita Group will, as an indispensable partner, create value for customers such as "pursuit of safety," "productivity enhancement" and "reduction of environmental impact."
3. Kurita Group will evolve its "service business" and will provide customers, at speed, with comprehensive solutions making full use of Kurita's technologies, products and services in water treatment chemicals, water treatment facilities and maintenance services.

Basic Policy

The basic policy encompasses the management direction and aims of the Group and forms the foundation of the Kurita Group Philosophy System

- | | | |
|---|--|-------------------------------------|
| 1. Kurita Group Code of Conduct | 4. CSR Policy | 6. Kurita Group Human Rights Policy |
| 2. Corporate Governance Policies | 5. Kurita Group's Policy on BCM (Business Continuity Management) | 7. Kurita Group Anti-Bribery Policy |
| 3. Basic Policies for Constructing an Internal Control System | | 8. Kurita Group Antitrust Policy |

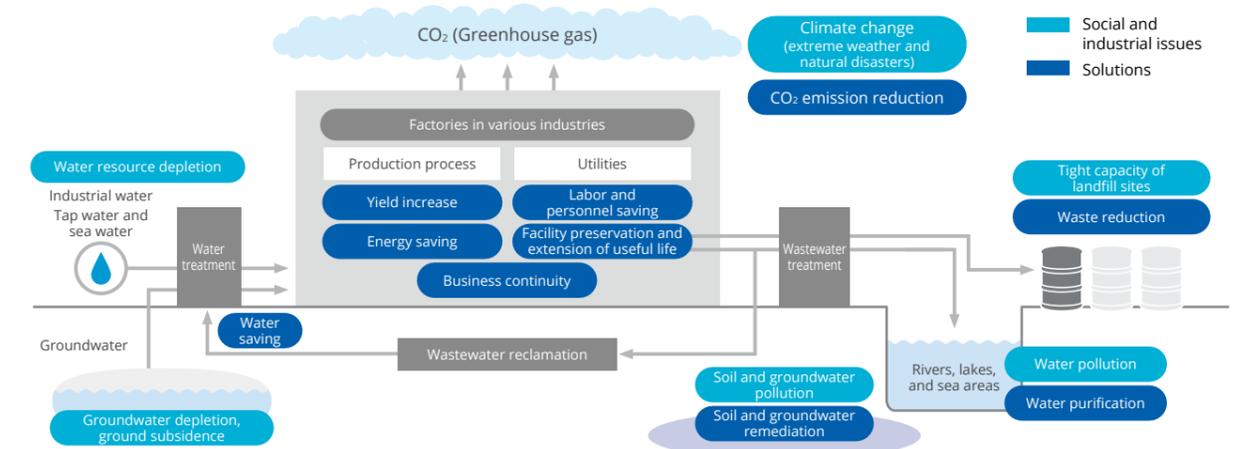
Core values

Stipulates the basic values guiding judgments and actions to be shared by all officers and employees in conducting business activities.



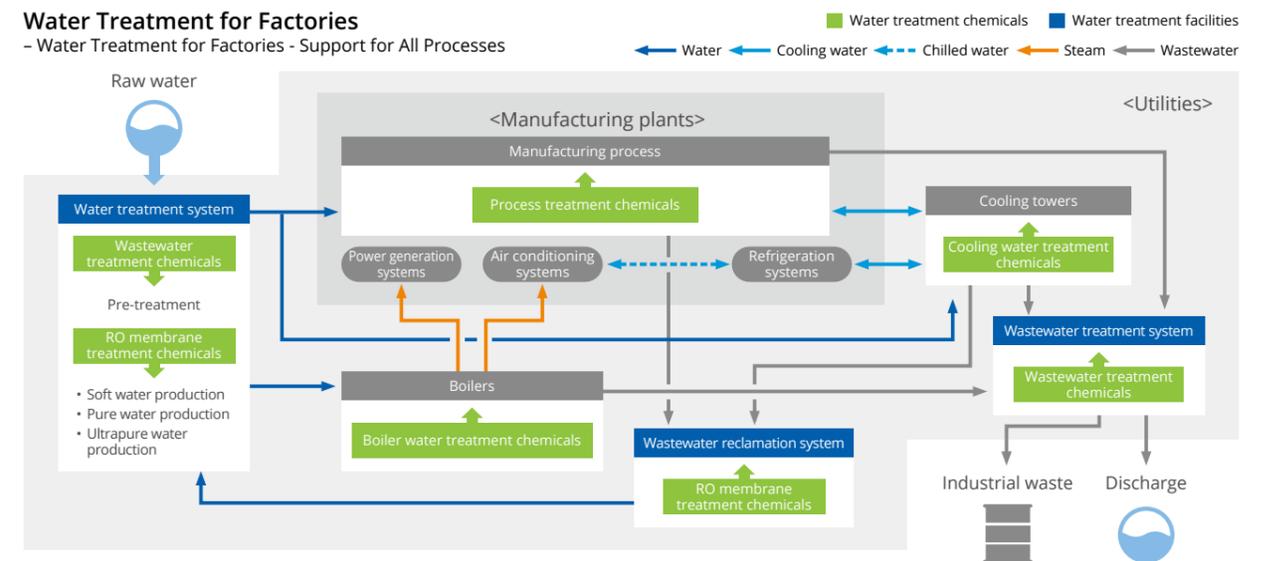
Kurita Group Philosophy System | https://www.kurita.co.jp/english/philosophy_vision/index.html

Social and Industrial Issues and Water Treatment Solutions

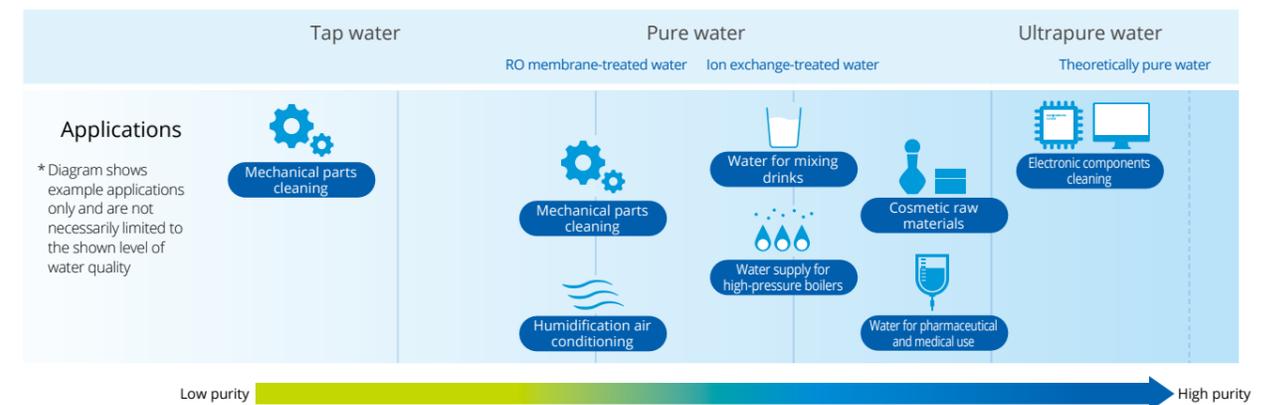


Water Treatment for Factories

- Water Treatment for Factories - Support for All Processes



Water Purity and Related Applications

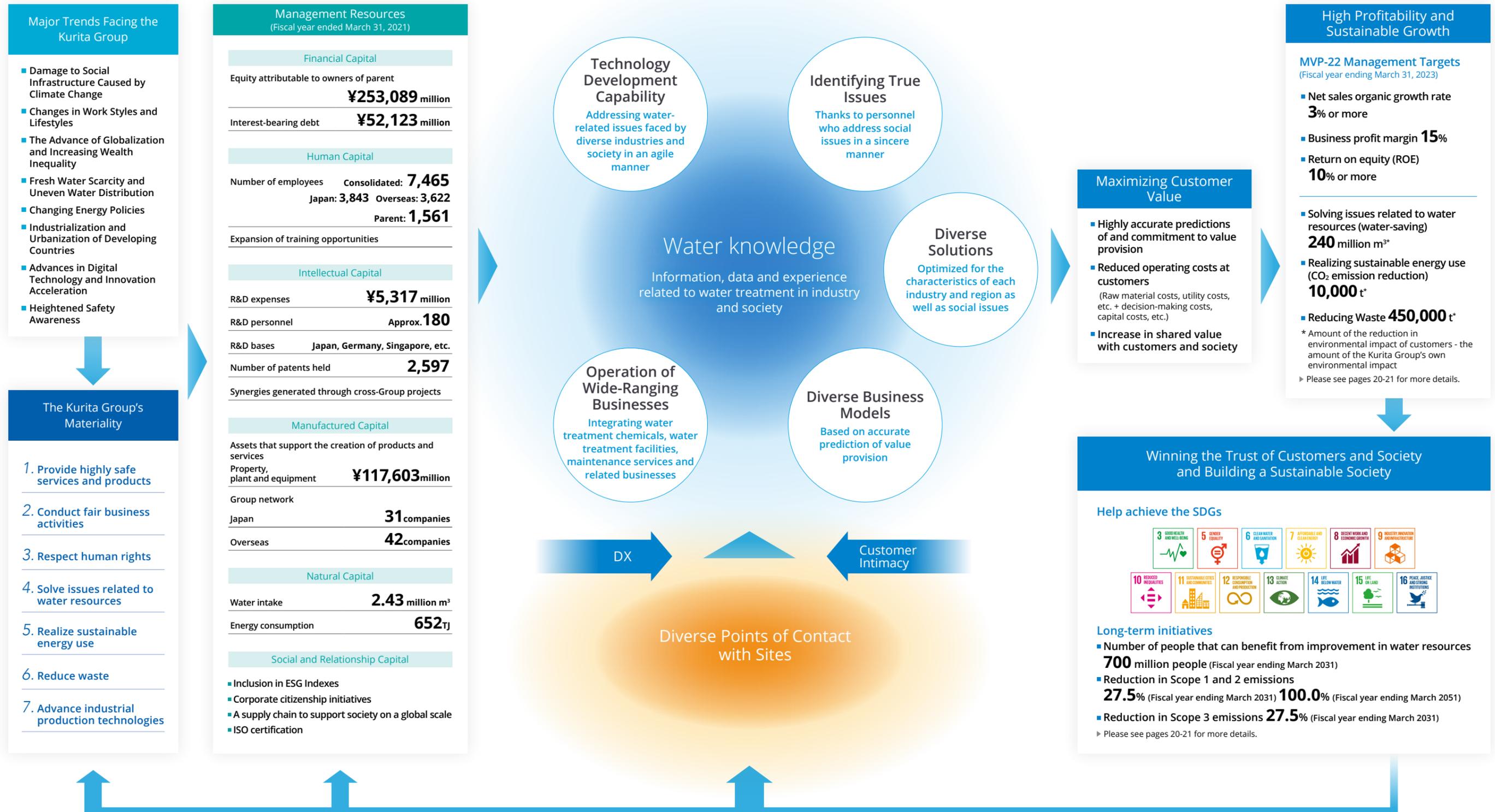


Kurita's Value Creation Story

The Kurita Group has acquired various contacts on the frontlines of industry and society during its long involvement in the water treatment sector. We intend to utilize our “water knowledge”—the accumulation of issues we have identified and information we have acquired from our extensive experience in the field—to create solutions for social issues that are aligned with the characteristics of individual industries and regions and thereby maximize value for customers while creating shared value with society.

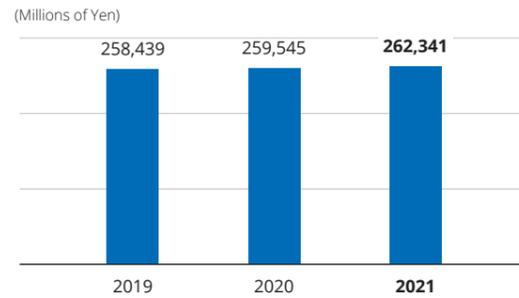
Corporate Philosophy
Study the properties of water, master them, and we will create an environment in which nature and man are in harmony

Corporate Vision
“A Creator of unique value to the solution of water and environment,” contributing to the realization of a sustainable society.



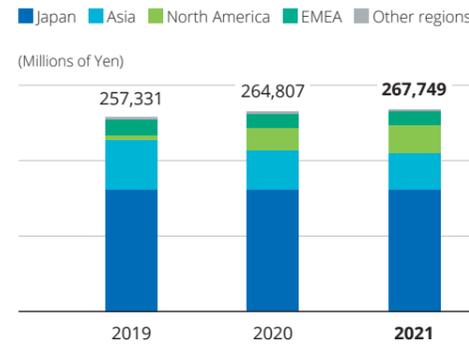
Financial Capital

Orders



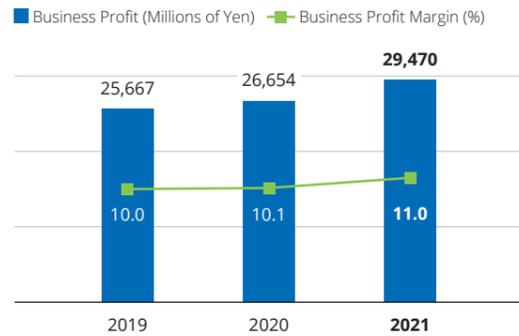
Demand for some products in the Water Treatment Chemicals business and for some domestic maintenance services was affected by the COVID-19 pandemic, but orders rose year on year, supported by firm demand from the electronics industry and the consolidation of Pentagon Technologies Group, Inc.

Sales



The COVID-19 pandemic weighed on sales of some products in the Water Treatment Chemicals business and in the Water Treatment Facilities business in Japan, but sales increased year on year due to progress with major facilities projects for the electronics industry in East Asia and the consolidation of Pentagon Technologies Group, Inc.

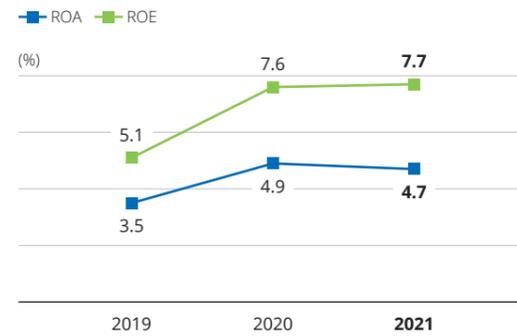
Business Profit and Business Profit Margin



Business profit increased despite a negative impact on sales from the pandemic. Profit growth was supported by tighter control of SG&A expenses through cost reduction, increased efficiency in materials procurement and an overhaul of product and service lineups at overseas subsidiaries, leading to an improvement in the cost of sales ratio.

Business profit = Net sales - Cost of sales - Selling, general and administrative expenses

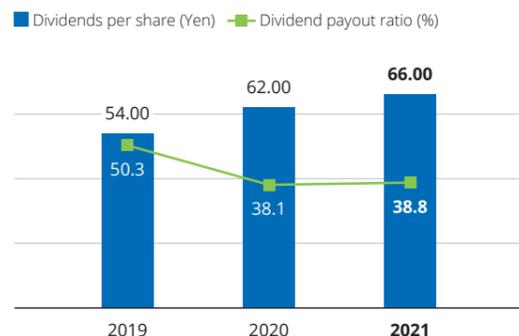
Return on Assets (ROA) and Return on Equity (ROE)



Profit attributable to owners of parent reached a record-high, driven by sales growth and margin improvement. However, ROA declined slightly due to an increase in total assets resulting from active investment in promising businesses. Also, there was only modest improvement in ROE due to higher retained earnings.

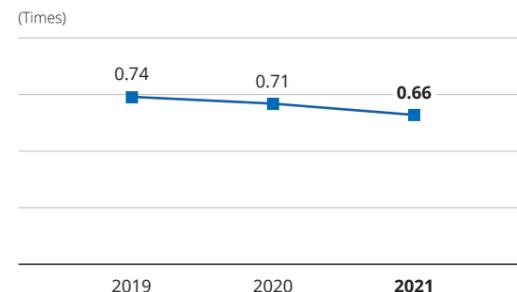
ROA = Profit attributable to owners of parent ÷ Total assets (Average) × 100
ROE = Profit attributable to owners of parent ÷ Equity attributable to owners of parent (Average) × 100

Dividends per Share and Dividend Payout Ratio



Kurita's policy is to continuously increase dividends where possible. In line with that policy, the dividend was increased for the 17th consecutive year. However, there was only a slight increase in the dividend payout ratio due to an increase in earnings per share.

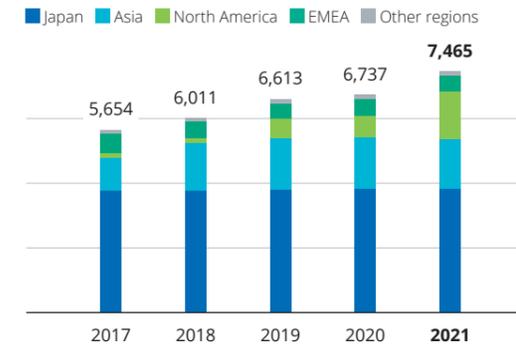
Total Assets Turnover



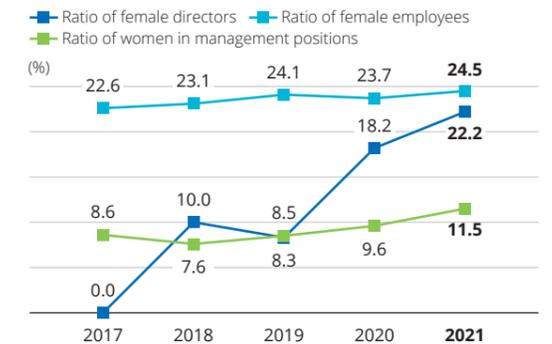
Total assets turnover declined, reflecting an increase in property, plant and equipment due to capital investment in the ultrapure water supply business and the booking of goodwill related to the consolidation of Pentagon Technologies Group, Inc., versus only a modest increase in sales.

Human Capital

Number of Employees by Region

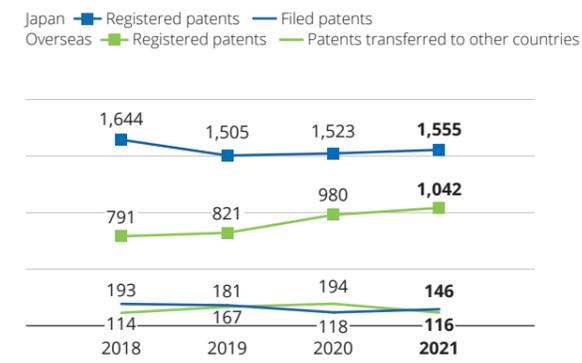


Ratio of Female Directors and Employees

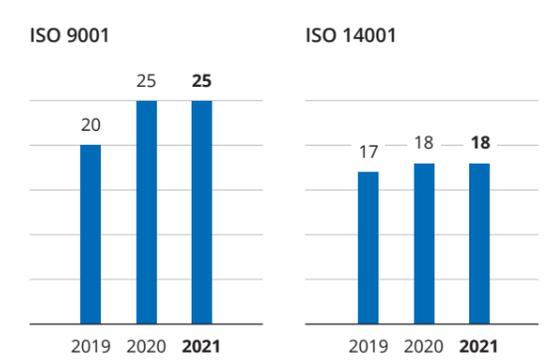


Intellectual Capital

Number of Patents Pending



Number of Certified Companies



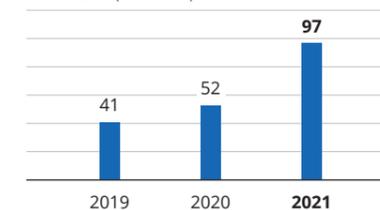
Natural Capital

The Kurita Group aims to support environmental impact reduction*1 in the operations of its customers offset and even exceed the environmental impacts of its own business. To this end, we have set numerical targets for the "amount of the reduction in environmental impact of customers - the amount of the Kurita Group's own environmental impact," with regard to water, CO₂, and waste.

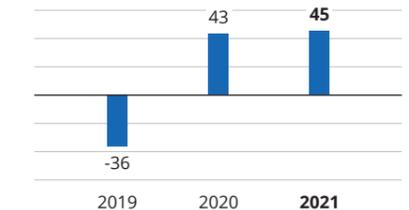
*1 The Kurita Group has defined products, technologies, or business models that contribute significantly to water-saving, CO₂ emissions reduction, and waste reduction compared to previous levels as the "CSV business." The reduction of environmental impact from customers' operations is calculated based on results of applying the CSV business. Further information about the CSV business can be found on pages 19 and 59.

Kurita Group KPI: Customer Impact Reduction - Kurita Group Impact

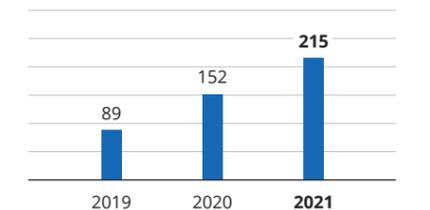
Water savings at customers - Amount of water intake used in our business activities (million m³)



CO₂ emissions reduction at customers - CO₂ emissions from our business activities (1,000 t)*2



Waste reduction at customers - Waste generated from our business activities (1,000 t)



*2 "CO₂ emissions from our business activities" include emissions generated from the ultrapure water supply business, which comes under Category 13 of Scope 3, as well as emissions in Scope 1 and 2 stipulated in GHG (Greenhouse Gas) protocol.